

Managing Invoices in PASSPort

Vendors





Welcome to the **Managing Invoices** course. Here is a list of topics that will be covered in this course:

1. Course Introduction, Learning Objectives, and Key Changes
2. Lesson 1: Invoicing Overview and Demonstration
3. Lesson 2: Invoice Deduction Overview and Demonstration
4. Knowledge Check and Course Summary
5. Q&A

Learning Objectives

Upon completion of this course, you will be able to:



Understand PASSPort Release 2: Requisition to Pay and the major changes associated with its implementation.



Explain the PASSPort Invoice workflow.



Flip a Purchase Order into an Invoice.



Understand the Reconciliation Request process.



Submit an Invoice Deduction.

Procurement and Sourcing Solutions Portal (PASSPort)

	 RELEASE 1 Vendor Management 	 RELEASE 2 Requisition to Pay 	 RELEASE 3 Source to Pay 
BENEFITS	Replaced Paper VENDEX <ul style="list-style-type: none"> • Online, self service vendor accounts • Reduced filing time for vendors • Vetting data shared by agencies • Improved contract performance evaluation management 	Enhances Ordering of Goods <ul style="list-style-type: none"> • Easier to update and find goods on requirements contracts • Improved ordering/receipt management • Electronic invoicing and better payment tracking (also for R3) 	Establishes One Platform <ul style="list-style-type: none"> • Transparent workflow management w/oversights (OMB, MOCS, Comptroller) • Digital proposal submission/review • Contract authoring/e-signature
STATUS	Live (<i>Launched August 2017</i>)	Live (<i>March 2019</i>)	On Target (<i>2020</i>)
NOTES	<ul style="list-style-type: none"> • Vendors enrolled (<i>10,000+ vendors</i>) • Cycle time reduction (<i>27 days to hours for most vendors</i>) 	<ul style="list-style-type: none"> • Goods Purchase • Contract utilization • Unit savings 	<ul style="list-style-type: none"> • Agency utilization • Solicitation volume • Cycle time reduction

Phased Deployment

Wave 1

MARCH

84 CONTRACTS: FOOD & KITCHEN
EQUIPMENT

2 PUNCHOUT CONTRACTS
(MSC & JOHNSTONE)

Wave 2

MAY

Wave 3

JULY

Wave 4

SEPTEMBER

PASSPort Release 2 Scope

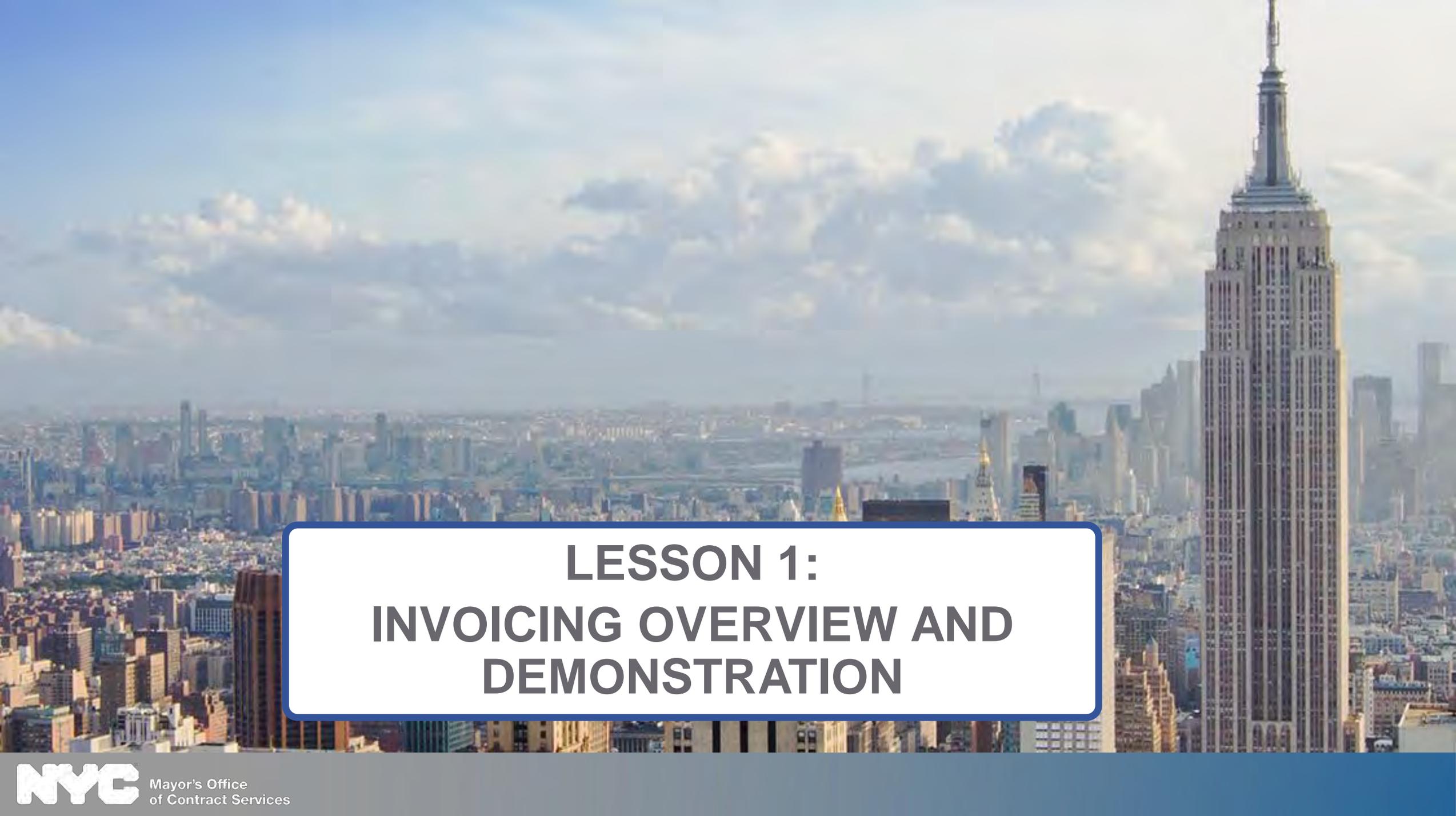
PASSPort Release 2 spans the Agency purchasing process from Requisition to Payment:

- 1 Catalog Management
- 2 Requisition
- 3 Purchase Order
- 4 Receiving
- 5 Invoicing and Payment

Key Changes

The PASSPort implementation will result in the following key changes to the Invoicing process:

- 1** There is now one standardized, electronic Invoice template for all vendors across Agencies.
- 2** Vendors can submit an Invoice anytime after a Purchase Order is received in PASSPort.
- 3** Invoices go through two levels of approval at the Agency prior to a payment being initiated.
- 4** Reconciliation Requests can be sent from the purchasing Agency or DCAS' Bureau of Quality Assurance (BQA) team to request a price deduction from the vendor.
- 5** Vendors submit Invoice Deductions to reduce invoices in response to a Reconciliation Request.



**LESSON 1:
INVOICING OVERVIEW AND
DEMONSTRATION**

Vendor Roles in PASSPort

Role	Functionality
Vendor Admin	Ability to assign profiles to vendor users within their organization, as well as read-only access to the Catalog, Reconciliation Requests, Purchase Orders, and Invoices
Vendor Procurement L1	Read-only access to Catalogs, Reconciliation Requests, and Purchase Orders
Vendor Procurement L2	Ability to import and export Catalogs, reject Purchase Orders, and confirm Reconciliation Requests
Vendor Financials L1	Read-only access to Invoices, Invoice Deductions, and Reconciliation Requests
Vendor Financials L2	Ability to view, create, and cancel Invoices and Invoice Deductions, as well as confirm Reconciliation Requests.

Invoicing Process Overview



PASSPort allows for standard, electronic invoicing across Agencies. Invoices are created by the vendor, and can be done manually or by creating an invoice from within a Purchase Order. Invoices will be submitted for matching against the Purchase Order, Receipt, and any open Reconciliation Requests to ensure consistency with order and delivery details.



Technology



PASSPort allows vendors to easily submit electronic invoices to their Purchasing Agency

Process Improvement



An automated 4-way match ensures consistency across orders, receipts and invoices

Transparency

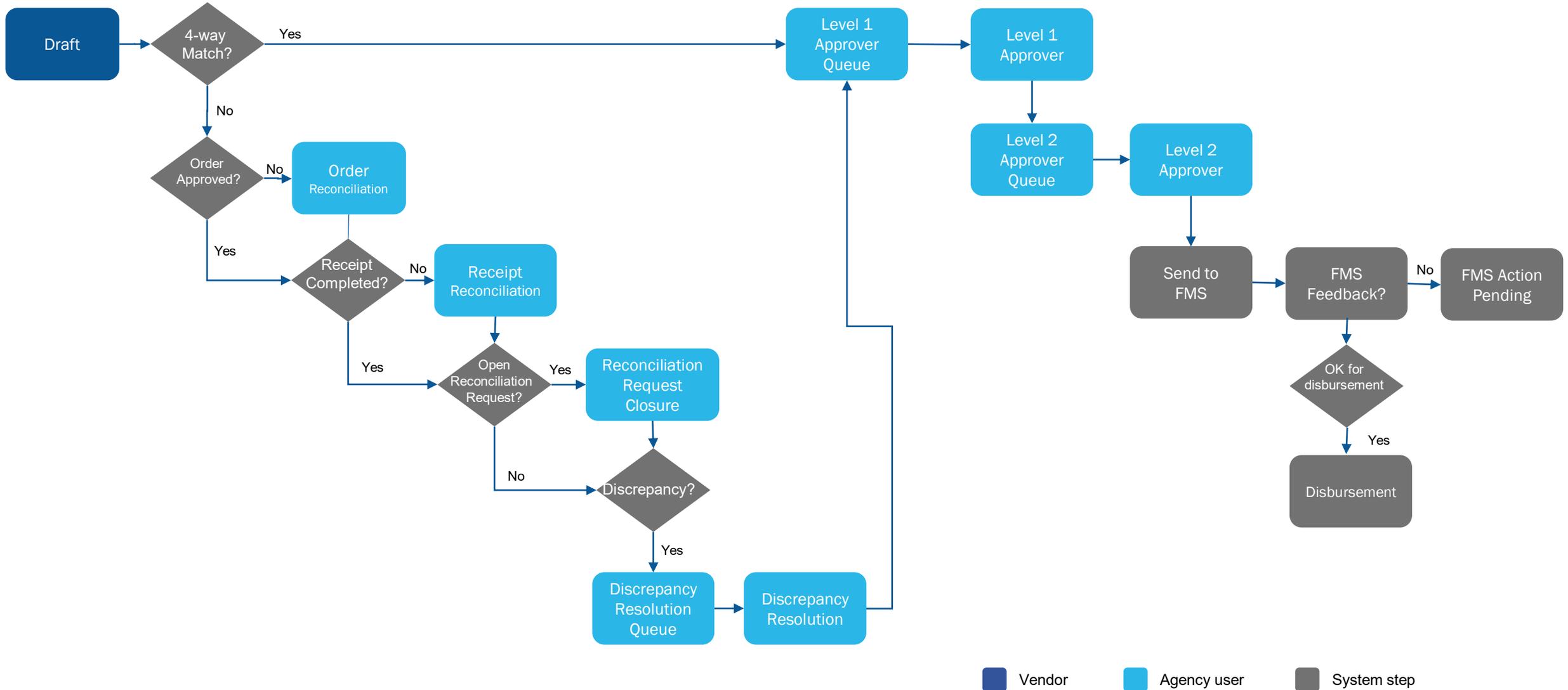


Vendors can track the status of their invoices to better anticipate when a payment will be made

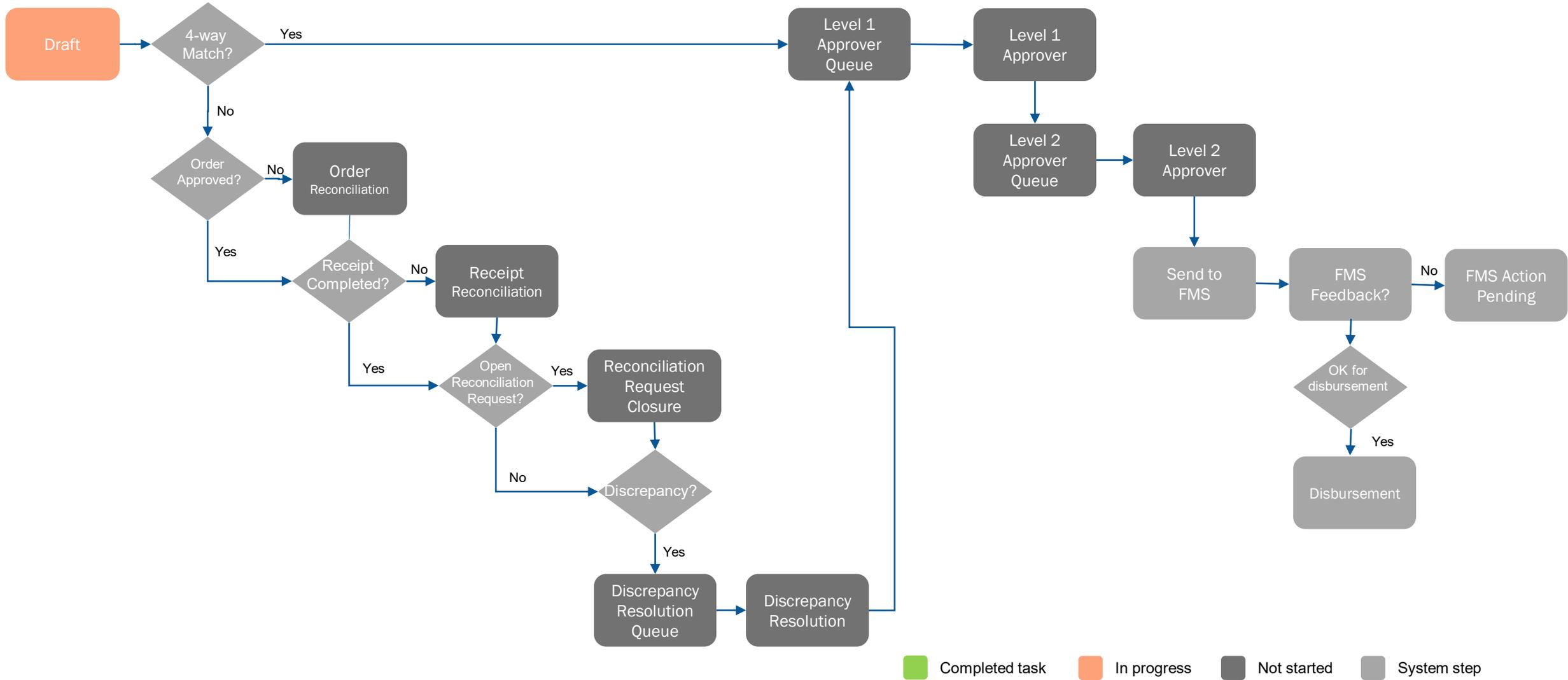
Tracking the Status of an Invoice

Invoice Status	Definition
Draft	The Invoice is drafted and not yet submitted for approval
Matching in Progress	The Invoice is submitted and has failed some aspect of the 4-way match, so it is going through the match reconciliation steps before it gets to invoice approval
Approval in Progress	The Invoice is at the invoice approver steps: either invoice approver #1 or #2
Ok-to-Pay	The Invoice has passed invoice approvals and payment information has been sent to FMS
Pending FMS Approval	The Invoice has been submitted to FMS and is waiting for FMS response
FMS Action Pending	The Invoice's payment information is rejected and is awaiting reconciliation in FMS
Payment in Progress	This status can occur when we are waiting for a payment request approval from FMS
Disbursed	Payments have been disbursed to the vendor
Canceled	The Invoice has been canceled (either before "Ok-to-Pay" or after payment rejection)

Invoice Workflow



Invoice Workflow



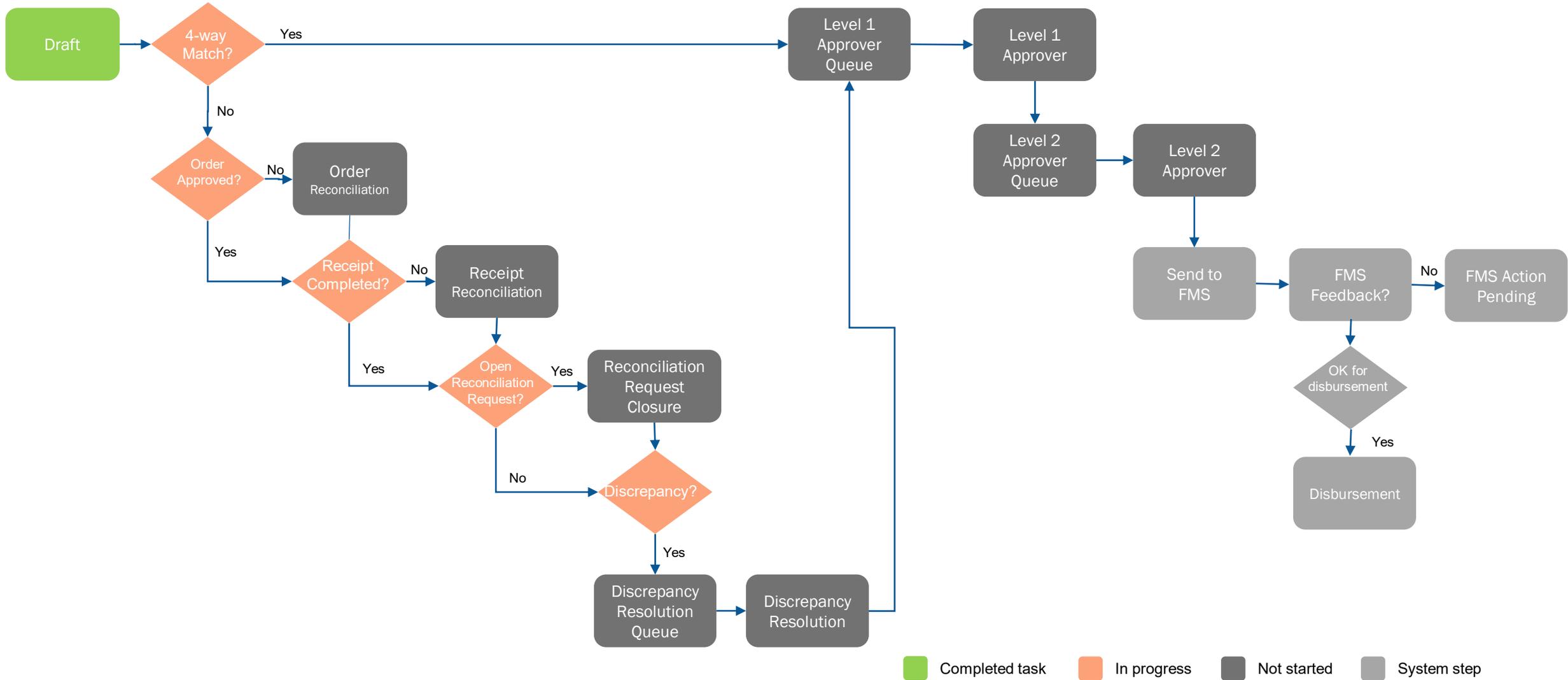
Invoice Creation

Creating an Invoice

In PASSPort, Invoices are created and submitted by the vendor to facilitate payment for delivered goods. There is one standardized electronic Invoice template that can be submitted to any Agency that has purchased off a Requirements Contract.

Once the Invoice has been submitted for approval, the system will trigger the 4-Way Match.

Invoice Workflow



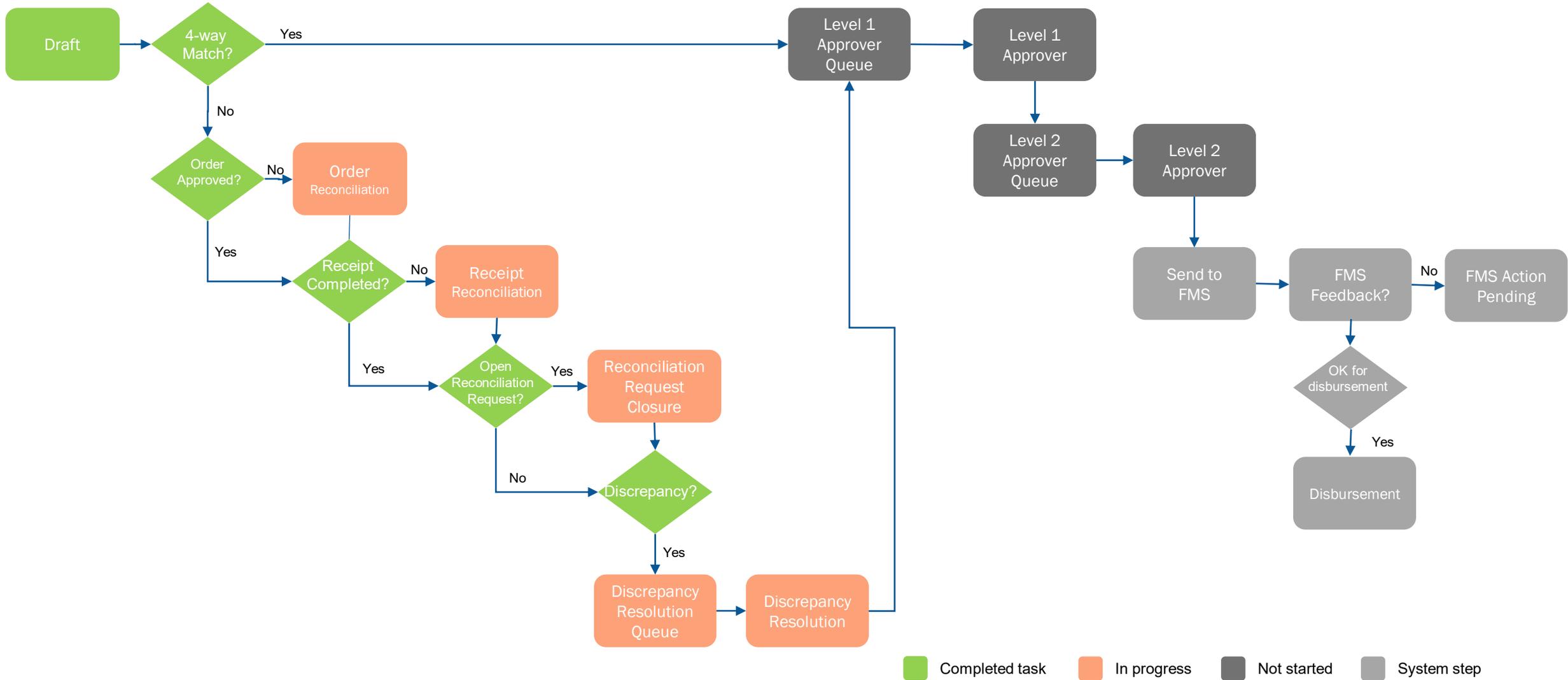
4-Way Match

4-Way Match Triggered by Invoice Creation

Once a vendor submits an Invoice to facilitate payment for delivered (or soon-to-be delivered) goods, it goes through the 4-Way Match where the system checks for a dispatched Purchase Order, a completed Receipt, no open Reconciliation Requests, and no discrepancy between the lines of the PO, Receipt, and Invoice. The system will check the following:

1. **Dispatched PO:** The system checks that there is a dispatched PO linked to the Invoice that has not been rejected.
2. **Completed Receipt:** The system then checks for a completed Receipt which is equal to or below the PO amount, taking into account any returns created from within the Receipt.
3. **No Open Reconciliation Requests (non-BQA):** Then it will ensure no open Reconciliation Requests (non-BQA) exist on this Invoice or PO. 4-Way Match will not pass until any open Reconciliation Requests are closed.
4. **Check All Lines:** The system will do a last check against all the lines to ensure the Agency was not over-Invoiced by the vendor.

Invoice Workflow

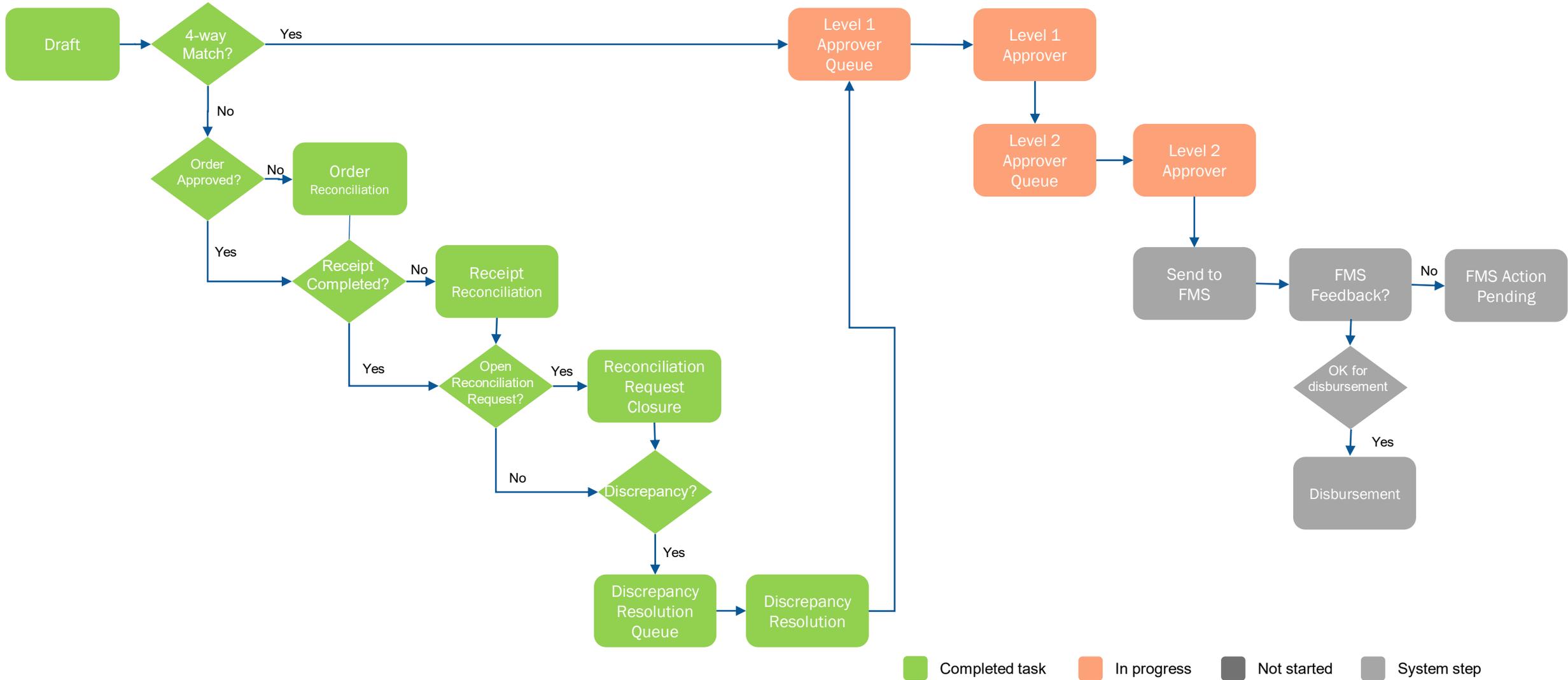


Reconciliation / Discrepancy Resolutions

Reconciliation / Discrepancy Resolutions

When an Invoice fails a round of the system-automated “4-Way Match”, the Invoice is then sent to the Agency to review the issue. The Agency user will coordinate with the vendor to determine if action is needed by the vendor and will work with your organization to resolve these discrepancies so the Invoice can move forward.

Invoice Workflow

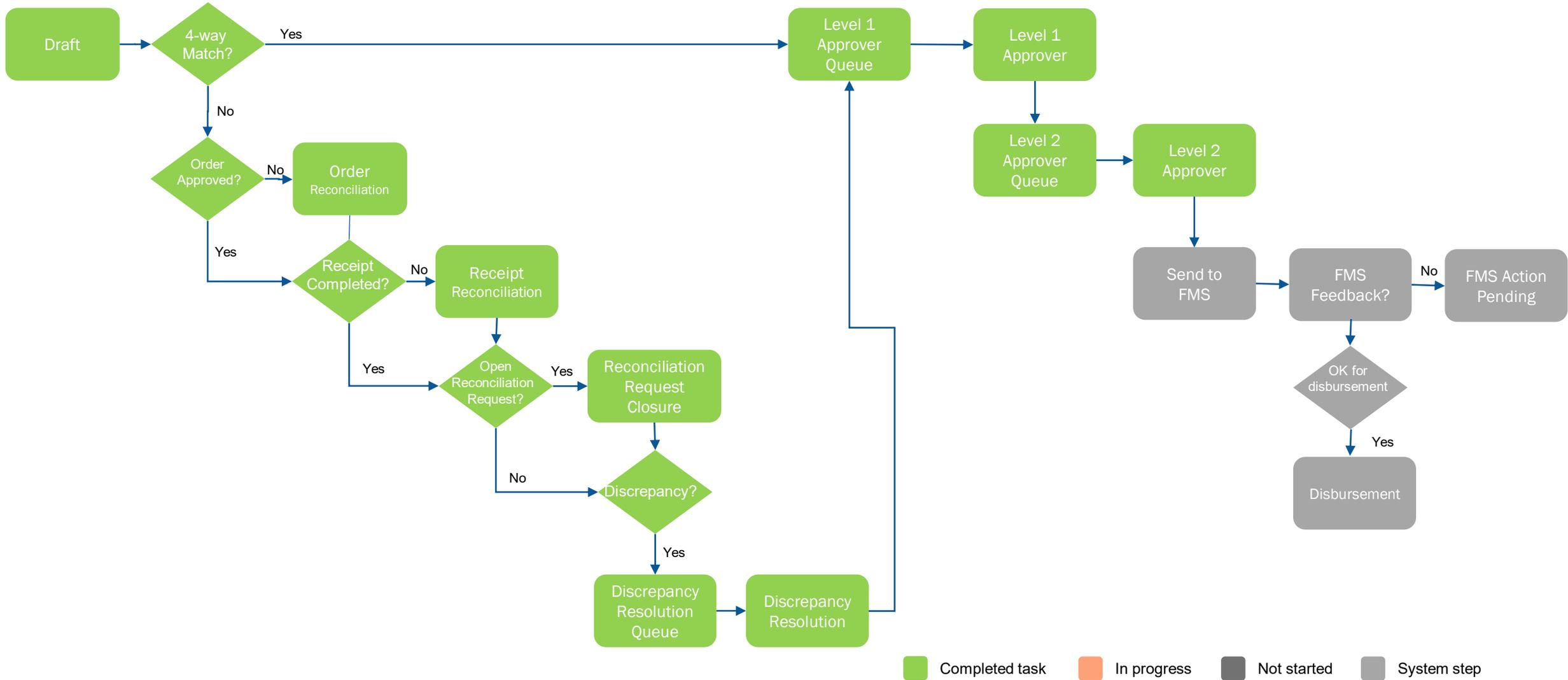


Agency Approvals

Agency Approvals

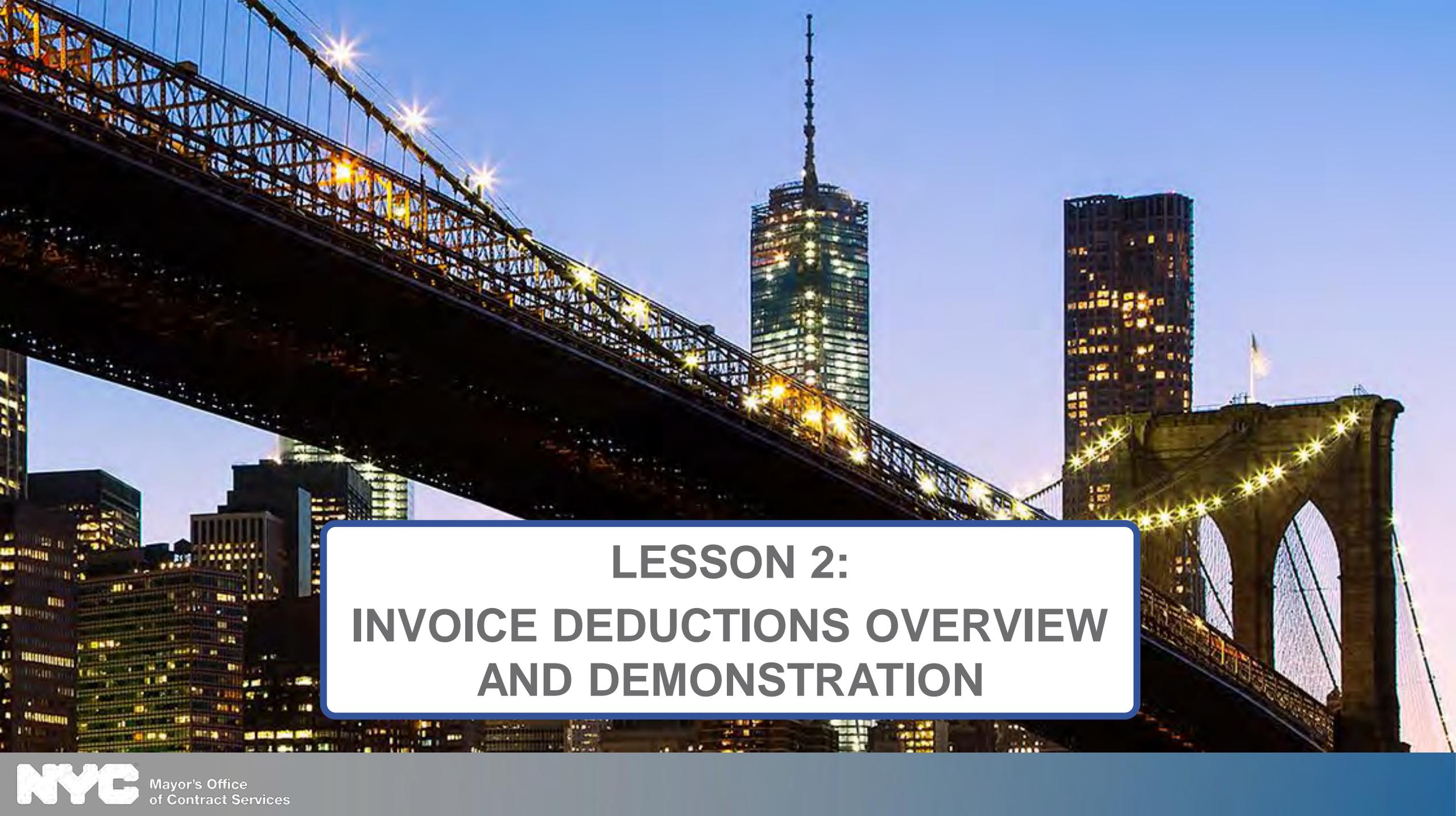
When an Invoice passes the system-automated “4-Way Match” and any discrepancies have been resolved, the Invoice is then sent to the Agency to confirm payment details and allocations. Each Invoice must be assigned to and approved by two separate Agency users before the payment process begins.

Invoice Workflow





Now that you have learned about the Invoice process, we will demonstrate how to create an Invoice in PASSPort.

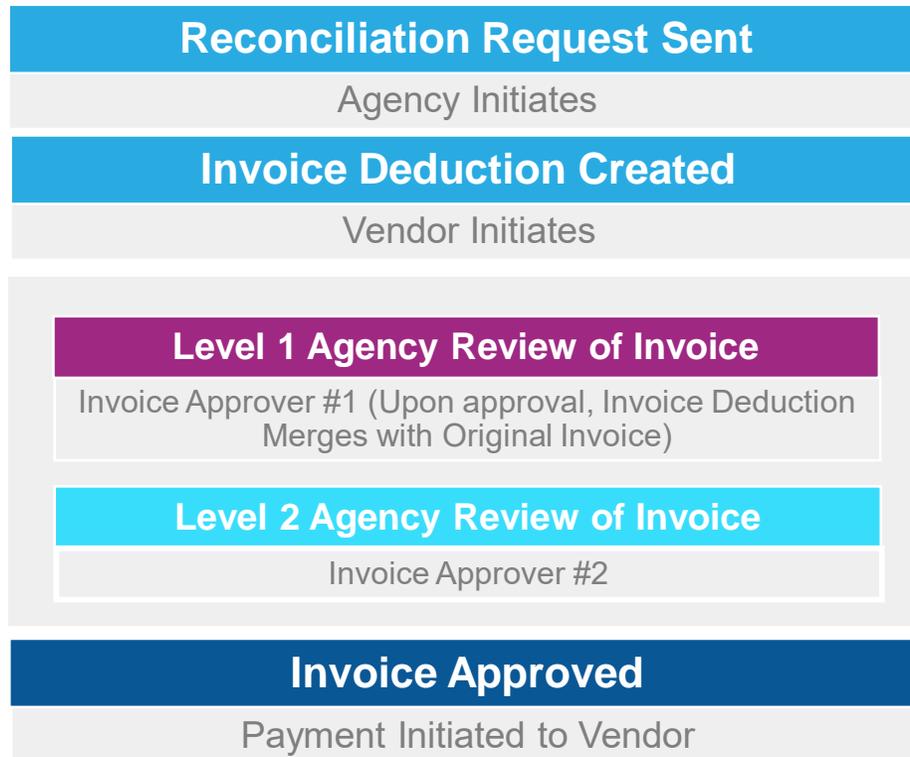


**LESSON 2:
INVOICE DEDUCTIONS OVERVIEW
AND DEMONSTRATION**

Invoice Deduction Process Overview



Invoice Deductions are negative invoices created by the vendor to deduct the amount of the original invoice. Reconciliation Requests are a formal way for an Agency to log issues with their deliveries and request a price or quantity deduction, leading to the creation of the Invoice Deduction by the vendor.



Technology



PASSPort allows for electronic Invoice Deductions to speed up the resolution and payment process

Process Improvement



Reconciliation Requests are sent to the vendor through PASSPort, allowing them to easily manage price deductions

Transparency



With Invoice Deductions linked to specific Invoices, Vendors have long-term visibility into delivery issues and deduction requests

Tracking the Status of an Invoice Deduction

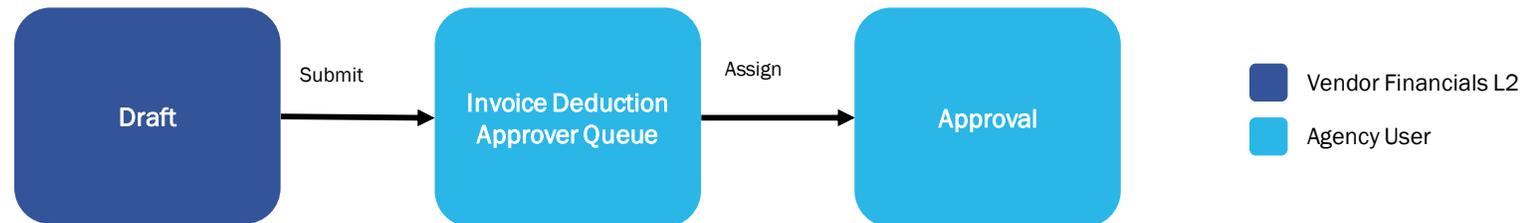
Invoice Status	Definition
Draft	The Invoice Deduction is drafted and not yet submitted for approval
Approval In Progress	The Invoice Deduction has been submitted to the Agency for approval
Approved	The Invoice Deduction has been approved by the Agency
Rejected	The Invoice Deduction has been rejected by the Requestor and the vendor must submit a new one
Canceled	The Invoice Deduction was canceled

Process Walkthrough: Invoice Deduction

We will now review the Invoice Deduction workflow, which is the path the Invoice Deduction will take when it's submitted. The following roles are involved:



For clarity, we have color-coded the workflow on this slide to allow you to easily see which role is involved with each step of the process:



Process Walkthrough: Invoice Deduction



Draft

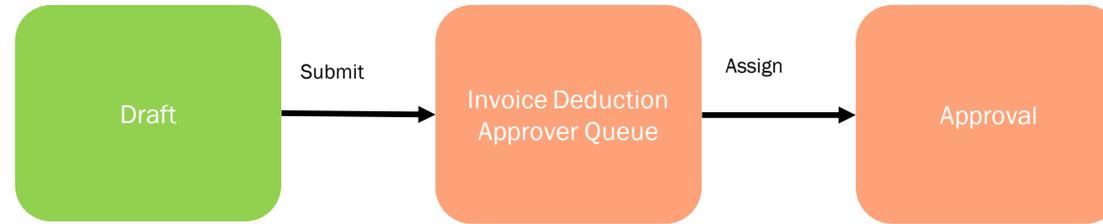
Draft

Upon receiving a Reconciliation Request from the City, vendors will need to confirm the Reconciliation Request and create an Invoice Deduction to resolve this request in PASSPort. Invoice Deductions may be necessary if the Receiver conducts a return or exchange, BQA recommends quality reductions or rejects items, or if the Receiver requests deductions for broken or damaged items.

An Invoice Deduction can also be created directly from the Invoice, allowing many fields to auto-populate. This process is often referred to as “flipping” an Invoice.

■ Completed task ■ In progress ■ Not started

Process Walkthrough: Invoice Deduction



Invoice Deduction Approver Queue / Approval

Invoice Deduction Approver Queue / Approval

Once an Invoice Deduction is created and submitted by the vendor, an Agency user will review this task to ensure that all items from the Reconciliation Request have been resolved. If so, they will approve the Invoice Deduction and it will merge with the initial Invoice.

The payment amount received by the vendor will be the net amount of the initial Invoice and any linked Invoice Deductions associated with this Invoice.

 Completed task  In progress  Not started



Now that you have learned about the Invoice Deduction process, we will demonstrate how to create an Invoice Deduction in PASSPort.

Vendor Resources: Online and In-Person

NYC Mayor's Office of Contract Services

311 Search all NYC.gov websites

Italiano Translate Text-Size

Home About **Systems** Legal & Forms Reporting Partners Contact Search

System Login **PASSPort** HHS Accelerator

About / Go to PASSPort

About / Go to PASSPort

PASSPort Training

PASSPort User Materials

PASSPort FAQ

Contact PASSPort

PASSPort Login

Create an Account

PASSPort Overview

The Procurement and Sourcing Solutions Portal (PASSPort), a new online portal moves VENDEX online and makes it easier to submit and keep disclosure documents up-to-date. PASSPort will become the primary platform to do business with the City of New York.

PASSPort aims to make procurement easier for both the Agencies and vendors and takes a holistic, streamlined approach which uses process improvement, technology and strong partnerships to achieve success.

PASSPort will be available for use through the following three releases. As vendors, you will be able to:

Vendors

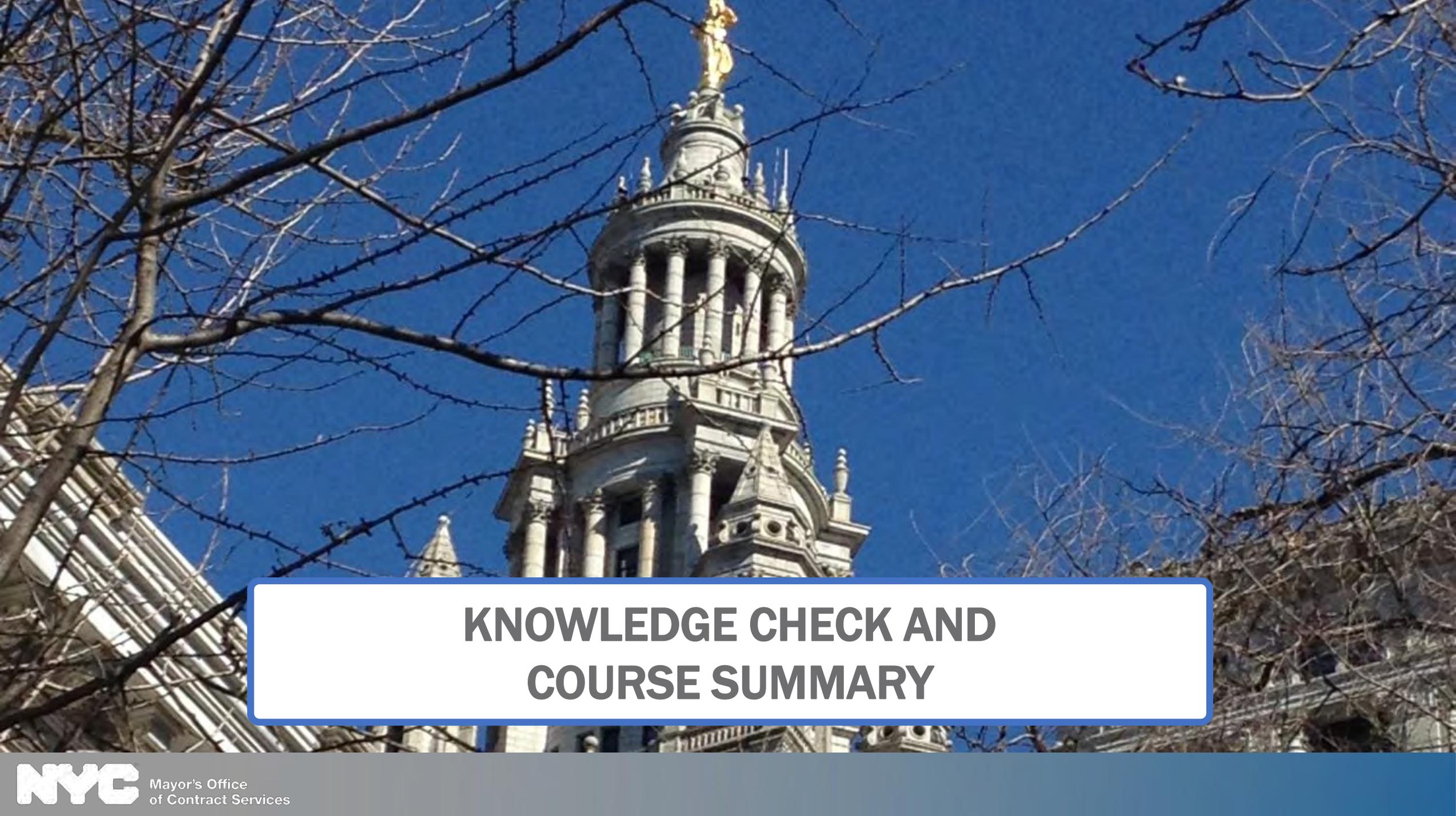
All vendor user materials and training registration can be accessed from the PASSPort page of the MOCS website:

<https://www1.nyc.gov/site/mocs/systems/about-go-to-passport.page>

- Help Desk
- Videos
- Trainings
- Guides
- FAQ

MOCS Help Desk

help@mocs.nyc.gov



KNOWLEDGE CHECK AND COURSE SUMMARY

Knowledge Check 1 – True or False

Vendors can submit an Invoice at any time once a Purchase Order has been dispatched.

True

False

That is correct. Once a Purchase Order is dispatched, the vendor can submit an Invoice immediately. However, the Invoice will not pass the 4-way match until there is a completed Receipt of equal or more value than the submitted Invoice and all Reconciliation Requests have been closed.

Knowledge Check 2 – Multiple Choice

Which of the below is not something the 4-way match checks for?

A Completed Receipt

B Disbursed Payment

C Dispatched PO

D No Open Reconciliation Requests

That is correct.

Knowledge Check 3 – True or False

Invoice Deductions do not need to be approved by the Agency.

True

False

That is correct. Once an Invoice Deduction is created and submitted, the Agency will receive a notification to assign and approve this task.

Knowledge Check 4 – Multiple Choice

Which of the below is not a potential reason for an Agency to request an Invoice Deduction?

A Broken Or Damaged Item

B Return Or Exchange

C Agency Is Over Budget

D BQA Rejection

That is correct.

Course Summary

You have reached the end of this course. You should now be able to:



Understand an overview of PASSPort Release 2: Requisition to Pay and the major changes associated with its implementation.



Explain the PASSPort Invoice workflow.



Flip a Purchase Order into an Invoice.



Understand the Reconciliation Request process.



Submit an Invoice Deduction.

What
questions
do you
have?



